



House of Representatives

General Assembly

File No. 360

February Session, 2014

House Bill No. 5574

House of Representatives, April 3, 2014

The Committee on Commerce reported through REP. PERONE of the 137th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
SOUTHEASTERN CONNECTICUT BIOSCIENCE CAPABILITIES
ASSESSMENT REPORT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2014*) (a) Not later than
2 February 1, 2015, the Commissioner of Economic and Community
3 Development shall prepare and issue a request for proposals for a
4 regional planning organization, as defined in section 4-124i of the
5 general statutes, educational institution, community development
6 corporation, regional economic development corporation or other
7 nonprofit organization to establish and administer a program to
8 promote and support the development of bioscience and
9 biotechnology businesses in the Southeastern Connecticut Planning
10 Region designated pursuant to section 16a-4a of the general statutes.
11 Such organization shall have experience in the formation of or
12 assistance to start-up businesses, fundraising, networking and
13 marketing. The commissioner shall develop criteria to evaluate such
14 proposals and shall award a grant for the establishment of such

15 program. On or before May 1, 2015, the Commissioner of Economic
16 and Community Development shall evaluate proposals received
17 pursuant to subsection (a) of this section and shall approve one such
18 proposal.

19 (b) Any proposal submitted pursuant to this section shall include an
20 outline of the program to be established with a grant awarded under
21 this section. Such program shall include:

22 (1) Outreach efforts to entrepreneurs, regional community and
23 business leaders and experts in the bioscience and biotechnology fields
24 to determine the needs and objectives of such individuals, and to
25 inform such individuals of state programs and resources to assist in
26 the formation of bioscience and biotechnology businesses in said
27 planning region;

28 (2) A marketing plan for bioscience and biotechnology development
29 in said planning region, including: (A) An identification of assets,
30 including the facilities and talent pool located in said planning region,
31 (B) marketing tools to advertise such assets, (C) goals for such
32 marketing plan, and (D) a timetable and budget for such marketing
33 plan;

34 (3) A working group that shall consist of not less than ten nor more
35 than fifteen business and community leaders from said planning
36 region to (A) encourage networking and planning between
37 professionals from different fields, (B) assess the program established
38 pursuant to this section, and (C) make recommendations to the
39 organization administering such program concerning the development
40 and implementation of such program; and

41 (4) The identification of and plan for acquisition of a facility to serve
42 as a business incubator for said planning region and a plan to establish
43 and maintain an Internet web site for such incubator.

44 (c) On or before January 1, 2017, the commissioner shall report, in
45 accordance with the provisions of section 11-4a of the general statutes,

46 to the joint standing committee of the General Assembly having
47 cognizance of matters relating to commerce on the request for proposal
48 issued and the program established pursuant to this section.

49 Sec. 2. Subsection (b) of section 32-235 of the 2014 supplement to the
50 general statutes is repealed and the following is substituted in lieu
51 thereof (*Effective October 1, 2014*):

52 (b) The proceeds of the sale of said bonds, to the extent of the
53 amount stated in subsection (a) of this section, shall be used by the
54 Department of Economic and Community Development (1) for the
55 purposes of sections 32-220 to 32-234, inclusive, including economic
56 cluster-related programs and activities, and for the Connecticut job
57 training finance demonstration program pursuant to sections 32-23uu
58 and 32-23vv, provided (A) three million dollars shall be used by said
59 department solely for the purposes of section 32-23uu and not more
60 than five million two hundred fifty thousand dollars of the amount
61 stated in said subsection (a) may be used by said department for the
62 purposes of section 31-3u, (B) not less than one million dollars shall be
63 used for an educational technology grant to the deployment center
64 program and the nonprofit business consortium deployment center
65 approved pursuant to section 32-41l, (C) not less than two million
66 dollars shall be used by said department for the establishment of a
67 pilot program to make grants to businesses in designated areas of the
68 state for construction, renovation or improvement of small
69 manufacturing facilities, provided such grants are matched by the
70 business, a municipality or another financing entity. The
71 Commissioner of Economic and Community Development shall
72 designate areas of the state where manufacturing is a substantial part
73 of the local economy and shall make grants under such pilot program
74 which are likely to produce a significant economic development
75 benefit for the designated area, (D) five million dollars may be used by
76 said department for the manufacturing competitiveness grants
77 program, (E) one million dollars shall be used by said department for
78 the purpose of a grant to the Connecticut Center for Advanced
79 Technology, for the purposes of subdivision (5) of subsection (a) of

80 section 32-7f, (F) fifty million dollars shall be used by said department
 81 for the purpose of grants to the United States Department of the Navy,
 82 the United States Department of Defense or eligible applicants for
 83 projects related to the enhancement of infrastructure for long-term, on-
 84 going naval operations at the United States Naval Submarine Base-
 85 New London, located in Groton, which will increase the military value
 86 of said base. Such projects shall not be subject to the provisions of
 87 sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said
 88 department for the purpose of a grant to the Connecticut Center for
 89 Advanced Technology, Inc., for manufacturing initiatives, including
 90 aerospace and defense, and (H) four million dollars shall be used by
 91 said department for the purpose of a grant to companies adversely
 92 impacted by the construction at the Quinnipiac Bridge, where such
 93 grant may be used to offset the increase in costs of commercial
 94 overland transportation of goods or materials brought to the port of
 95 New Haven by ship or vessel, (2) for the purposes of the small
 96 business assistance program established pursuant to section 32-9yy,
 97 provided fifteen million dollars shall be deposited in the small
 98 business assistance account established pursuant to said section 32-
 99 9yy, [and] (3) to deposit twenty million dollars in the small business
 100 express assistance account established pursuant to section 32-7h, and
 101 (4) for the purposes of section 1 of this act.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2014</i>	New section
Sec. 2	<i>October 1, 2014</i>	32-235(b)

CE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill has no fiscal impact by requiring the Department of Economic and Community Development (DECD) to issue a request for proposal for an organization to establish a program to promote and support the development of bioscience businesses in Southeastern Connecticut. It is anticipated that DECD will be able to effectively review the proposals without additional resources. DECD currently implements policies, strategies and programs that support business development in the state.

Section 2 of the bill provides an unspecified amount of previously authorized bond funds under the Manufacturing Assistance Act to support the grant. There is no fiscal impact to this section because it does not authorize additional General Obligation bonds.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**HB 5574*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
SOUTHEASTERN CONNECTICUT BIOSCIENCE CAPABILITIES
ASSESSMENT REPORT.*****SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) commissioner to award a grant to establish a program to promote and support the development of bioscience and biotechnology businesses in the Southeastern Connecticut Planning Region. By February 1, 2015, the commissioner must issue a request for proposals to regional planning organizations, educational institutions, economic and community development corporations, or other nonprofit organizations to establish and administer such a program. The commissioner must also develop criteria for evaluating proposals.

By May 1, 2015, the commissioner must evaluate the proposals and approve one. The proposals must include a program to provide outreach to entrepreneurs, create a marketing plan, develop a working group of business and community leaders, and acquire a facility for a business incubator.

DECD must provide a grant of an unspecified amount to the approved organization for administering the program. The bill authorizes bond proceeds from previously authorized Manufacturing Assistance Act (MAA) bonds for the grant (see BACKGROUND). DECD must report on the grant program to the Commerce Committee by January 1, 2017.

EFFECTIVE DATE: October 1, 2014

PROGRAM REQUIREMENTS

The organizations submitting proposals must have experience in assisting start-ups, fundraising, networking, and marketing. Proposals must include an outline of the program to be established, which must include:

1. outreach to entrepreneurs, regional community and business leaders, and bioscience and biotechnology experts to determine their needs and objectives and inform them of state resources and programs available to help form bioscience and biotechnology businesses in the planning region;
2. a marketing plan for bioscience and biotechnology development in the region, including the goals, timetable, and budget for the plan and how the organization will identify and market regional assets, such as the region's facilities and talent pool;
3. a working group of 10-15 business and community leaders from the planning region that will encourage networking and planning among professionals from different fields, assess the program, and make recommendations regarding its development and implementation to the administering organization; and
4. a plan for a business incubator, including identifying and acquiring a facility and building, and maintaining a website for it.

BACKGROUND

Manufacturing Assistance Act

The MAA program provides grants, loans, loan guarantees, and other types of financing to business, municipalities, nonprofit organizations, and regional planning organizations, among other entities, for a range of projects, including supporting research and development.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 16 Nay 1 (03/20/2014)